



**ZAKAT DISTRIBUTION AND GROWTH
CASE STUDY OF JOHOR**

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ABSTRACT

This paper aims at finding out the effect of zakat distribution to the growth of economy in Johor State of Malaysia. The variables considered are gross domestic product (GDP) and zakat distribution (GZ). The sample of this study comprises of annual data collected from annual report of zakat through State Islamic Religions Council who responsible in managing the zakat, baitulmal and waqf affair in Johor. The data of Gross Domestic Product (GDP) in the state of Johor are gathered from the Department of Statistics of Malaysia. It is hypothesized that the relationship between zakat distribution and real total output is positive. The econometric procedures used for this study include the unit root test on the time series data to check stationary of the variables in order to avoid the spurious regression, Correlation analysis and regression analysis.

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